

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

FIELDWOOD ENERGY LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-33948 (MI)

(Jointly Administered)

**SECOND INTERIM FEE APPLICATION OF ALIXPARTNERS, LLP,
FINANCIAL ADVISOR TO THE CHAPTER 11 DEBTORS FOR
ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
DURING THE PERIOD NOVEMBER 1, 2020 THROUGH JANUARY 31, 2021**

This Application seeks an order that may adversely affect you. If you oppose the application, you should immediately contact the moving party to resolve the dispute. If you and the moving party cannot agree, you must file a response and send a copy to the moving party. You must file and serve your response within 14 days of the date this was served on you. Your response must state why the application should not be granted. If you do not file a timely response, the relief may be granted without further notice to you. If you oppose the application and have not reached an agreement, you must attend the hearing. Unless the parties agree otherwise, the court may consider evidence at the hearing and may decide the application at the hearing.

Represented parties should act through their attorney.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Dynamic Offshore Resources NS, LLC (0158); Fieldwood Energy LLC (6778); Fieldwood Energy Inc. (4991); Fieldwood Energy Offshore LLC (4494); Fieldwood Onshore LLC (3489); Fieldwood SD Offshore LLC (8786); Fieldwood Offshore LLC (2930); FW GOM Pipeline, Inc. (8440); GOM Shelf LLC (8107); Bandon Oil and Gas GP, LLC (9172); Bandon Oil and Gas, LP (9266); Fieldwood Energy SP LLC (1971); Galveston Bay Pipeline LLC (5703); and Galveston Bay Processing LLC (0422). The Debtors' primary mailing address is 2000 W. Sam Houston Parkway S., Suite 1200, Houston, TX 77042.

AlixPartners, LLP (“AlixPartners”), as financial advisor to Fieldwood Energy LLC, and its affiliated debtors and debtors in possession (collectively, the “Debtors”), hereby submits its second interim application (the “Application”) for allowance of compensation for professional services rendered and reimbursement of out-of-pocket expenses incurred for the period of November 1, 2020 through January 31, 2021 (the “Second Interim Period”). By this Application, AlixPartners seeks payment of professional fees in the amount of \$1,621,025.50 and out-of-pocket expenses in the amount of \$3,313.81. AlixPartners respectfully states as follows:

Jurisdiction and Venue

1. The United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

2. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The basis for relief requested herein are Sections 330 and 331 of Title 11 of the United States Bankruptcy Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-1 of the Local Bankruptcy Rules for the Southern District of Texas (the “Local Rules”), and *Order Granting Debtors’ Motion of Debtors Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 247] (the “Interim Compensation Order”).

Background

4. On August 3, 2020 (the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code, thereby commencing the above-captioned Chapter 11 Cases (the “Chapter 11 Cases”) in this Court.

5. No trustee or examiner has been appointed in these Chapter 11 Cases.

6. On August 18, 2020, the Office of the United States Trustee for the Southern District of Texas, Houston Division (the “UST”) appointed the Official Committee of Unsecured Creditors (the “Committee”) [Docket No. 183].

Retention of AlixPartners

7. On September 2, 2020, the Debtors filed its *Application for Authority to Retain and employ AlixPartners, LLP as Financial Advisor to the Debtors Effective as of the Petition Date* [Docket No. 291].

8. On October 6, 2020, the Bankruptcy Court entered the *Order Authorizing Retention and Employment of AlixPartners, LLP as Financial Advisor to the Debtors Effective as of the Petition Date* [Docket No. 412] (the “Retention Order”).

9. The Retention Order approved the terms of AlixPartners’ fee and expense structure set forth in the Engagement Letter and authorized AlixPartners to be compensated pursuant to the terms of the Engagement Letter and procedures set forth in the Bankruptcy Rules, Local Rules, the Interim Compensation Order, and any other applicable orders of this Court.

Relief Requested

**AlixPartners’ Application for
Compensation and for Reimbursement of Expenses**

Monthly Fee Statements During the Second Interim Period

10. AlixPartners’ filed three (3) monthly fee statements (the “Monthly Fee Statements”) covering the Second Interim Period. The Monthly Fee Statements have been filed and served pursuant to the Interim Compensation Order. The Monthly Fee Statements covered by this Application contain detailed daily time logs describing the actual and necessary services provided and expenses incurred by AlixPartners during the periods covered by such Second Interim Period as noted below:

Date Served	Period Covered	Requested		Paid		Amount Outstanding
		Fees	Expenses	Fees	Expenses	
12/20/2020	11/01/2020-11/30/2020	\$359,974.00	\$1,696.93	\$287,979.20	\$1,696.93	\$71,994.80
2/1/2021	12/01/2020-12/31/2020	\$583,350.50	\$1,076.90	\$466,680.40	\$1,076.90	\$116,670.10
3/8/2021	01/01/2021-01/31/2021	\$677,701.00	\$539.98			\$678,240.98
	Total	\$1,621,025.50	\$3,313.81	\$754,659.60	\$2,773.83	\$866,905.88

11. Detailed descriptions of the services rendered during the Second Interim Period were included in the Monthly Fee Statements and are attached as **Exhibit A**. A detailed analysis of the out-of-pocket expenses incurred during the Second Interim Period were included in the Monthly Fee Statements and are attached as **Exhibit B**.

12. AlixPartners is seeking an interim allowance of compensation in the amount of \$1,621,025.50², reimbursement of actual and necessary out-of-pocket expenses in the amount of \$3,313.81, for a total allowance of \$1,624,339.31 during the Second Interim Period. AlixPartners received payment in the amount of \$757,433.43, therefore, the amount of \$866,905.88 remains outstanding pending this Application.

Summary of Professional Services Rendered During the Second Interim Period

13. During the course of AlixPartners' engagement, AlixPartners has advised and assisted the Debtors with (i) negotiations with stakeholders and their representatives; (ii) communications and/or negotiation with outside constituents; (iii) preparation for the filing of the bankruptcy petition and the Debtors' Second day motions; (iv) providing administrative support for the development of proceeding and developing the Debtors' Plan of Reorganization; (v) preparation of the statement of

² The total fees requested includes the 20% holdback in the amount of \$71,994.80 pursuant to the Fourth Monthly Fee Statement, the holdback in the amount of \$116,670.10 pursuant to the Fifth Monthly Fee Statement, and the holdback in the amount \$135,540.20 pursuant to the Sixth Monthly Fee Statement, for a total holdback of \$324,205.10 (the "Holdback").

affairs, schedules of assets and liabilities and other regular reports required by the Bankruptcy Court; (vi) preparation of the Liquidation Analysis for the Debtors' Disclosure Statement; (vii) assistance with the Debtors' vendor management process to ensure compliance with court-ordered payment limits; and (viii) management of the claims and claims reconciliation processes.

Professional Services By Category During the Second Interim Period

14. AlixPartners classified all services performed for which compensation is sought into separate categories. Summarized below is a description of the services provided by AlixPartners to the Debtors during the Second Interim Period in each significant service area.

15. The following summaries are intended to highlight key services rendered by AlixPartners during the Second Interim Period in certain project billing categories where AlixPartners has expended a considerable number of hours on behalf of the Debtors, and are not meant to be a detailed description of all of the work performed by AlixPartners.

16. The primary focus of AlixPartners was centered around the following areas:

Matter Code 102: Planning and Coordination/Case Management

371.5 hours - \$296,335.50

This category includes time spent pertaining to engagement planning, staffing, coordinate workstreams.

Matter Code 103: Meetings with Counterparties and Advisors

156.6 hours - \$132,723.00

This category includes participation and coordination of meetings with various stakeholders in these cases including advisors to the official committee of unsecured creditors, advisors to the first lien term loan lenders, and advisors to the first lien first out term loan lenders.

Matter Code 104: Company Operations

25.9 hours - \$16,483.00

This category includes review of the Debtors operations and contractual obligations, coordination with Debtors to produce schedule of executory contracts.

Matter Code 106: Court Filings (Motions, etc.)

296.5 hours - \$188,716.50

This category includes addressing questions from counsel and the court on first day motions, preparation of court required filings for debtor and non-debtor entities and preparation of schedules of executory contracts.

Matter Code 107: Administrative Court Reporting and Meetings (MOR's, OCP, caps)

94.6 hours - \$68,950.50

This category includes development of reporting templates for the monthly operating reports, schedules of assets and liabilities, and the statements of financial affairs. In addition, this matter also includes the development of the 2015.3 report.

Matter Code 108: Liquidity, Cash Management and Budgeting

152.9 hours - \$112,379.50

This category includes monitoring liquidity; preparing regular updates to vendor management reports and analyses; and preparing analysis related to sources and uses upon emergence under various scenarios.

Matter Code 109: DIP Negotiations

2.2 hours - \$1,386.00

This category includes analysis related to Debtors weekly cash flow variance reports and updated cash collateral budgets.

Matter Code 110: Asset Disposition Strategies

4.4 hours - \$2,991.50

This category includes preparation of asset division schedules in support of the Debtors' Plan of Reorganization.

Matter Code 111: Business Plan Development

45.3 hours - \$32,822.00

This category includes assisting in the development of the Debtors' financial projections, including evaluating the costs of establishing the liquidating trust in the accordance with the plan of reorganization.

Matter Code 112: Plan of Reorganization and Disclosure Statements

312.8 hours - \$251,950.00

This category includes developing the Debtors' Plan of Reorganization and Disclosure Statement, and negotiating such Plan with various parties-in-interest.

Matter Code 115: Claims Analysis

692.3 hours - \$487,072.00

This category any claims related work (includes reviewing/analyze contract and lease rejections).

Matter Code 117: Litigation/Adversary Proceeding Work

1.7 hours - \$875.50

This category includes assistance to counsel regarding document requests and review related to adversary proceedings and potential litigation against the Debtors.

Matter Code 119: Engagement Administration

1.6 hours - \$1,439.50

This category includes time spent managing the engagement and coordinating with AlixPartners internal resources regarding staffing, coordination and planning, and other functions.

Matter Code 120: Fee Applications

58.5 hours - \$26,901.00

This category includes time spent managing the fee application processes. Appropriate staffing levels were utilized to minimize the cost associated with these activities.

17. AlixPartners believes that the fees and expenses requested are reasonable, and all amounts requested are for actual and necessary services rendered on behalf of the Debtors.

18. AlixPartners has not entered into any agreement, express or implied, with any other party for the purpose of fixing or sharing fees or other compensation to be paid for professional services rendered in these cases. No promises have been received by AlixPartners or any member thereof as to compensation in connection with these Chapter 11 Cases other than in accordance with the provisions of the Bankruptcy Code.

Certification

19. A Certification of Robert D. Albergotti is attached hereto as **Exhibit C** and made part of this Application.

No Prior Request

20. No prior application for the relief requested herein has been made to this or any other Court.

Notice

21. Notice of the Application has been or will be provided to those parties entitled to receive notice hereof in accordance with any applicable order of this Court.

[Remainder of page intentionally left blank.]

Conclusion

WHEREFORE, AlixPartners, as financial advisor to the Debtors, respectfully requests that the Court enter an order, providing that: (i) an interim allowance be awarded to AlixPartners for the Second Interim Period in the amount of \$1,622,025.50 (including the Holdback in the amount of \$324,205.10) as compensation for professional services rendered, and reimbursement for expenses incurred in the amount of \$3,313.81, for a total amount of \$1,624,339.31; (ii) the Debtors be authorized and directed to pay AlixPartners the remaining outstanding balance of \$866,905.88; and (iii) for such other and further relief as this Court deems proper.

Dated: March 31, 2021

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By: Robert D. Albergotti
Managing Director